

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Gas Company
for authority to update its gas revenue
requirement and base rates. (U 904 G)

Application 02-12-027
(Filed December 20, 2002)

Application of San Diego Gas & Electric
Company for authority to update its gas and
electric revenue requirement and base rates.
(U 902-M)

Application 02-12-028
(Filed December 20, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING ON
SCHEDULING A SECOND PREHEARING CONFERENCE
FOR MARCH 14, 2003, AT 10:00 A.M.**

Summary

A first Prehearing Conference (PHC-1) was held in San Francisco, Ca., on Friday, February 7, 2003. At that time the parties were unable to provide sufficient information on the availability of expert staff to allow the assigned Administrative Law Judge to set a schedule. Further, parties had not sufficiently reviewed the applications to provide an informed view of the issues to be litigated in these consolidated proceedings. A second Prehearing Conference (PHC-2) has been scheduled for 10:00 a.m., Friday, March 14, 2003, in the Commission's Courtroom, State Office Building, 505 Van Ness Avenue, San Francisco, California. At that time parties should be prepared to discuss scheduling; the scope of the proceeding, especially the sequence of litigation, including, if necessary, the potential of bifurcation of certain issues; and the

relative priority of issues to the applicants, the active parties, and ratepayers generally.

Meet and Confer

Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) are directed to coordinate a second meet and confer conference¹ in advance of PHC-2, but no later than March 10, 2003. All parties on the service list are to be included in the meet and confer. This second meet and confer is to identify specifically the topics and issues for inclusion in the proceeding, and a proposed procedural schedule that includes dates for the service of testimony, hearings, and briefs.

An Up-dated Case Management Statement (Case Management-2) from the second meet and confer conference is due on Wednesday, March 12, 2003.

Prehearing Conference Statements and Scheduling

In order to better inform the Commission on the scope of issues in dispute interested parties may serve on the service list a written PHC-2 Statement, if they participate in the second meet and confer conference; these statements are not a substitute for participating in the meet and confer conference. In the PHC-2 Statements parties should address their reasonable suggestions for scheduling with a view to timely Commission decisions for the most critical elements of these proceedings.

¹ This meet and confer may be held telephonically, by e-mail correspondence, or by any method that is acceptable to the participants.

Detailed Requirements

The Office of Ratepayer Advocates (ORA) committed² at PHC-1 to have a detailed schedule of the availability of their necessary expert staff in advance of PHC-2. Within this constraint and with a view to identifying creative options, parties should propose a schedule for the consolidated cost of service proceedings for inclusion in Case Management-2. This statement should include specific identification of any issues that may be reasonably deferred without undue financial harm to applicants or ratepayers. Where an issue must be deferred, but there is the potential for financial harm, parties should propose viable ways of mitigating such harm. ORA should address both the Cost of Service (COS) and Performance-Based Ratemaking (PBR) issues in its scheduling proposal³ in order to address all components of the applications.

SoCalGas and SDG&E are directed to prepare and serve by March 3, 2003, in advance of the meet and confer, a matrix that shows a reconciliation of the applications (or other formal proceedings) currently pending or anticipated for filing in 2003. For those filings they should indicate the issues to be addressed and show where there may be an inter-dependency or inter-relationship between the proceedings. For example, are “mandatory” low-emission vehicle programs included in the COS application and “discretionary” programs elsewhere? Another example could be where the reasonableness reviews of past operations of certain programs is in one proceeding and this proceeding is limited to the forecast of future operations of those programs.

² PHC-1 transcript page 15.

³ PHC-1 transcript page 23, where ORA indicated that it had not yet considered PBR-related issues.

SoCalGas and SDG&E should be prepared at PHC-2 to discuss the status of any web-based or other form of data sharing system to enhance parties' access to all of the discovery requests and responses to reduce duplication of effort and enhance coordination between parties and the applicants.

IT IS RULED that:

1. A second Prehearing Conference (PHC-2) is scheduled for 10:00 a.m., Friday, March 14, 2003, in the Commission's Courtroom, State Office Building, 505 Van Ness Avenue, San Francisco, California.
2. Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) shall conduct a second meet and confer conference in advance of PHC-2.
3. Parties participating in the second meet and confer conference, may serve a second Prehearing Conference Statement, by March 12, 2003.
4. SoCalGas and SDG&E shall serve an Up-dated Case Management Statement by March 12, 2003.
5. SoCalGas and SDG&E shall serve a matrix of pending and anticipated proceedings by March 3, 2003, that reconcile the outstanding issues to be addressed and the inter-relationships of those regulatory proceedings.
6. Parties are to use the electronic service protocols in effect for this consolidated proceeding, and all service should be made no later than 4:00 p.m. on the appropriate due dates.

Dated February 19, 2003, at San Francisco, California.

/s/ DOUGLAS LONG

Douglas Long
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling on Scheduling a Second Prehearing Conference for March 14, 2003, at 10:00 a.m. on all parties of record in this proceeding or their attorneys of record.

Dated February 19, 2003, at San Francisco, California.

/s/ JEANNIE CHANG

Jeannie Chang

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.

A.02-12-027, A.02-12-028 DUG/jyc